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BEFORE THE

FEDERAL COMMUNICATIONS COMMISSION

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WASHINGTON, D.C. 20554

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In the Matter of

Amendment of Section 73.202(b))
Table of Allotments
FM Broadcast Station
Frederiksted, Virgin Island

RM-8026

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MM Docket No / 9

MM Docket No. 92-242

REPLY TO OPPOSITION TO RULEMAKING FILE BY ST. CROIX WIRELESS CO., INC.

To: The Commission, and Chief, Allocations Branch

- 1. Comes now petitioner, José J. Arzuaga and files his reply to Opposition to Rulemaking which is referenced above, and was filed by John T. Galanses on behalf of St. Croix Wireless Co., Inc.
- 2. This Petition by ("Wireless") is viewed by "Arzuaga" as having a solid basis for objection, but rather as a glass house resident throwing stones: whiles Wireless claims there are too many FM outlets in the St. Croix St. Thomas market, in actuality he was the "Author" of five (5) of these FM frequency allotments. These are detailed below:

WJKC-FM	95.1	Christiansted
WSTX-FM	100.3	Christiansted
WAVI-FM	94.3	Christiansted (with CP to Increase Power)
WVGN-FM	107.1	Charlotte Amalie, St. Thomas (Class A)
WVGN-FM	105.3	Charlotte Amalie, St. Thomas (Class B)
WAVI-FM	93.5	Christiansted, St. Croix - B - 1989

- 3. In response to parragraph 5 of the above described comments, where "Wireless" states that WVIS-FM moved from its Frederiksted allotment to Christiansted for economic reasons. Petitioner wishes to point out that originally WVIS-FM was assigned in the table of allotments to Christiansted. An application was originally made for this channel in 1971 with a request for change to Frederiksted. After construction and operation for a number of years in Frederiksted a request was made to change back to Christiansted, thereby vacating the Frederiksted service. It is in the public's interest to maintain a first service in Frederiksted, replacing WVIS-FM which vacated this service.
- 4. As to the population data in parragraph 3, it should not be necessary to consider this further, other than to note that Christiansted and Frederiksted are two distinct communities separated by 11 miles of mountainous terrain, each has its own Post Office.

- 5. In parragraph 12 of the comments, montion is made by "Wireless" that the majority of the seven (7) stations serving St. Croix are minority owned. In actuality of the seven (7) stations, only two minority owned, ie: WVIS-FM (Hispanic) and WSTX-FM (Native) upon gaining this application, petitioner would be the eighth St. Croix FM outlet but only the third minority owned. Frederiksted is underserved as compared to Christiansted or any of the other U.S. Virgin Islands.
- 6. In reply to parragraph 4 of Opposition to Petition for Rulemaking, petitioner points out that Class A FM stations in Puerto Rico and the Virgin Islands are permitted to operate in excess of Power compared to mainland stations due to mountainous terrain where the terrain factor is taken into consideration. This difficult terrain condition affects these two communities in St. Croix.
- 7. It was mentioned (parragraph 7) that with \$1.3 Million advertizing "pie" only \$10,047 would be available for monthly operation for each FM outlet. Applicant is willing to operate on such a monthly budget. However, the facts are that Island economy is now booming. The Island has received due to Hurrican Hugo a FEMA infusion 08 \$800 million and \$600 million in insurance claims. Hess Petroleum is investing \$1 billion in a catalytic cracking plant. In addition Frederiksted is constructing a new dock at a cost of \$14 million to handle anticipated increase of tourist ship visits. Also legislation is being drafted to permit Casino operation in new hotel establishments. In construction are two new shopping centers; the 80 million Concordia Plaza and the \$22 million Sunshine Mall. A new K-Mart opens in a 4 months with 104,000 sq. ft. of floor space.

SUMMARY

The objections presented by "Wireless" are mainly based on an attempt to limit competition by placing an arbitrary limit to the number of FM outlets on the Island. There in no service at present for the community of Frederiksted. Public interest dictates that Frederiksted be provided a first service FM outlet.

Furthermore Mr. Galanses now operator two for Network Stations. In both markets, St. Thomas and St. Croix, WVGN-FM St. Thomas, such giving him a obvious advantage over his competitors. Therefore, Mr. Galanses has both a technical advantage of operating and simulcasting two different FM frecuencies such also afford him an economic advantage over other licensees in the market. In view of the foregoing, the Commission should deny the "St. Croix Wireless" (Galanses/WAVI) opposition to Petition for Rulemaking.

THEREFORE PETITIONER José J. Arzuaga respectfully requests that

the COMMISSION GRANT his request for Channel 298A for Frederiksted, U.S.V.I.

Respectfully submitted,

José J. Arzuaga

CERTIFICATE OF SERVICE

James L. Oyster hereby certifies that he has sent a copy of the foregoing REPLY by first class U.S. mail, postage prepaid, or by hand delivery, on or before the 19th day of January, 1993, to the following:

John T. Galanses

President

St. Croix Wireless Co., Inc.

P.O. Box 25016 St. Croix, VI 00824

James L. Oyster